

Bidding Environment and Asphalt Cost and Availability Update
October 15, 2008

1. Advertise projects as scheduled. Due to the recent developments in the economy and the recent good bid prices there is no longer a need to delay advertising projects anticipating a reduction in HMA or binder costs that may or may not materialize.
2. Asphalt and HMA prices remain volatile. Recent bids for HMA have been in \$120 per ton range. Refer to the last three months' HMA prices to create a reasonable engineer's estimate based on current market conditions.
 - a. Recent projects have seen increased numbers of bidders. Contractors have been inquiring about upcoming work.
 - b. The recent economic downturn has led to better than usual prices on many items other than HMA.
 - c. The cost of oil and fuel has been on a downward trend. Current economic indicators are that oil and fuel costs will be more stable over the upcoming year.
3. For additional information or questions please contact:
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